



OFFICE OF
INSURANCE COMMISSIONER

3545-1211106 \$1,375 ✓

In the Matter of)

No. D06-347

VALLEY FORGE LIFE INSURANCE)
COMPANY, Successor to SAGE LIFE)
ASSURANCE OF AMERICA, INC.,)

CONSENT ORDER
IMPOSING A FINE

An Authorized Insurer)

Findings of Fact:

1. At all times pertinent hereto, Sage Life Assurance of America, Incorporated ("Sage Life") was authorized to conduct insurance business in Washington State. It issued life insurance.
2. Sage Life electronically filed its calendar year 2004 Annual Statement with the Office of the Insurance Commissioner ("OIC") on March 1, 2005, but the Separate Accounts filing was not included.
3. Sage Life filed its 2004 Separate Accounts on April 29, 2005.
4. Sage Life electronically filed its calendar year 2005 Annual Statement with the OIC on March 13, 2006, but did not file its Statement of Non-Guaranteed Elements and accompanying paper signature page.

Conclusions of Law:

1. Sage Life's failure to timely file complete calendar year 2004 and 2005 Annual Statements with the OIC constitutes three violations of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

Valley Forge Life Insurance Company, successor to Sage Life, consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of Valley Forge Life Insurance Company's payment of a fine as set forth below.

1. Valley Forge Life Insurance Company consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken by the Insurance Commissioner that are related to the subject matter of this Order.

2. Within thirty days of the entry of this Order, Valley Forge Life Insurance Company will pay to the Insurance Commissioner a fine in the amount of \$1,375 (one thousand three hundred seventy five dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by Valley Forge Life Insurance Company in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 31st day of December, 2006.

VALLEY FORGE LIFE INSURANCE COMPANY

By: Patrick J. Carty

Printed Name: Patrick J. Carty

Printed Corporate Title: Vice President, Deputy General Counsel
and Assistant Secretary

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. Valley Forge Life Insurance Company will forthwith file Sage Life Assurance of America, Inc.'s calendar year 2005 Statement of Non-Guaranteed Elements with the OIC.

2. Valley Forge Life Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,375 (one thousand three hundred seventy five dollars).

3. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 18th day of December, 2006

MIKE KREIDLER
Insurance Commissioner

By: Marcia G. Stickler
Marcia G. Stickler
Legal Affairs Division